



County of Los Angeles  
**CHIEF ADMINISTRATIVE OFFICE**

713 KENNETH HAHN HALL OF ADMINISTRATION • LOS ANGELES, CALIFORNIA 90012  
(213) 974-1101  
<http://cao.co.la.ca.us>

DAVID E. JANSSEN  
Chief Administrative Officer

Board of Supervisors  
GLORIA MOLINA  
First District

YVONNE B. BURKE  
Second District

ZEV YAROSLAVSKY  
Third District

DON KNABE  
Fourth District

MICHAEL D. ANTONOVICH  
Fifth District

June 22, 2004

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Supervisors:

**APPROVE A RESOLUTION OF INTENTION TO GRANT A NEW PETROLEUM  
PIPELINE FRANCHISE TO EXXONMOBIL OIL CORPORATION,  
FORMERLY KNOWN AS MOBIL OIL CORPORATION  
(ALL DISTRICTS) (3-VOTES)**

**IT IS RECOMMENDED THAT YOUR BOARD:**

1. Approve a Resolution of Intention to grant a new petroleum pipeline franchise to ExxonMobil Oil Corporation (ExxonMobil), formerly known as Mobil Oil Corporation (Mobil Oil) setting the matter for public hearing on July 27, 2004, pursuant to Section 6232 of the State Public Utilities Code, and instructing the Executive Officer of the Board to arrange for public advertising.
2. Find this project is categorically exempt under the California Environmental Quality Act (CEQA) pursuant to Class 1, Section (e) of the Environmental Document Reporting Procedures and Guidelines adopted by your Board on November 17, 1987, and Section 15061(b) (3) of the State CEQA Guidelines.

The Honorable Board of Supervisors  
June 22, 2004  
Page 2

**AFTER THE PUBLIC HEARING, IT IS RECOMMENDED THAT YOUR BOARD:**

Adopt the accompanying ordinance awarding a 15-year petroleum pipeline franchise to ExxonMobil in the unincorporated areas of Santa Clarita/Val Verde; West Los Angeles/Sawtelle; West Alondra Park/Del Aire; West Carson/Harbor Corridor; East Carson/Rancho Dominguez; West Compton/Willowbrook; Florence/Walnut Park; Vernon/Bandini Island; West Whittier/Los Nietos; and South Whittier/East La Mirada; becoming effective 30 days from adoption thereof.

**PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The purpose of the recommended actions is to approve a Resolution of Intention, schedule a public hearing, and grant a new petroleum pipeline franchise to ExxonMobil.

**IMPLEMENTATION OF STRATEGIC PLAN GOALS**

The County Strategic Plan directs that we provide the public with quality service that is beneficial and responsive (Goal 1). The Board's approval and adoption of an ordinance to grant ExxonMobil a pipeline franchise is consistent with this goal.

**FISCAL IMPACT/FINANCING**

ExxonMobil has paid the County a one-time granting fee of \$5,000, and will also pay base annual franchise fees of approximately \$105,000 for over 343,096 lineal feet of existing two to 24-inch active and idle pipelines ExxonMobil maintains and operates in County roads. The franchise fee is based upon a formula of 21 cents per lineal foot for the first eight inches in diameter, plus three cents per diameter inch over eight inches. The amount of the base annual franchise fee will be adjusted annually for inflation using the Producers Price Index.

The Honorable Board of Supervisors  
June 22, 2004  
Page 3

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

On May 11, 1979, the Board adopted Ordinance No. 11,901 granting a 25-year petroleum pipeline franchise to Mobil Oil that would have expired May 10, 2004. The ordinance has been extended through August 31, 2004 by Board action on April 6, 2004.

In November 1999, with the approval of the Federal Trade Commission, Exxon Corporation and Mobil merged to form ExxonMobil. Both separately held businesses became a part of ExxonMobil and no transfer of the Mobil Oil pipelines occurred. ExxonMobil's pipeline system and the downstream pipeline assets in California, including pipelines installed in Los Angeles County roadways, are used to transport petroleum products to ExxonMobil's Torrance, California refinery.

As a result of the merger, ExxonMobil will experience long-term strategic benefits and near-term cost savings that allow it to compete more effectively with other recently combined multinational oil companies. ExxonMobil has requested your Board's approval of the accompanying ordinance and approval of the Resolution of Intention and ordinance to grant ExxonMobil a new franchise for a term of 15 years. County Counsel has reviewed the accompanying ordinance and approved it as to form.

The ExxonMobil ordinance delegates authority to the CAO to consent to transfer(s) of the franchise unless new terms and conditions are suggested requiring your Board's approval of an ordinance to amend the franchise.

### **ENVIRONMENTAL DOCUMENTATION**

Granting this pipeline franchise renewal is categorically exempt under the California Environmental Quality Act (CEQA) pursuant to Class 1, Section (e) of the Environmental Document Reporting Procedures and Guideline adopted by your Board on November 17, 1987, and Section 15061 (b) (3) of the state CEQA Guidelines.

The Honorable Board of Supervisors  
June 22, 2004  
Page 4

**IMPACT ON CURRENT SERVICES (OR PROJECTS)**

The recommended Board actions will not impact or adversely affect any current services. The Audit Division of the Auditor-Controller, the Fire Department, and the Department of Public Works have reviewed the franchise renewal request and have no objections.

**CONCLUSION**

Instruct the Executive Officer, Board of Supervisors, to send an approved copy of this letter and adopted ordinance to ExxonMobil Oil Corporation, Attention: Rights-of-Way and Claims Manager, 12851 East 166 Street, Cerritos, CA 90703-2103, and forward approved copies of this letter and the adopted ordinance to the offices of County Counsel, Audit Division of Auditor-Controller, Department of Public Works, and the Chief Administrative Office, Real Estate Division, Attention: Property Management, 222 South Hill Street, 3rd Floor, Los Angeles, CA 90012.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "David E. Janssen", with a stylized flourish at the end.

DAVID E. JANSSEN  
Chief Administrative Officer

DEJ:CWW  
CB:MLT:cc

c: County Counsel  
Auditor-Controller  
Fire Department  
Department of Public Works

**RESOLUTION OF INTENTION TO GRANT A PETROLEUM PIPELINE FRANCHISE  
TO EXXONMOBIL OIL CORPORATION**

BE IT RESOLVED by the Board of Supervisors of the County of Los Angeles,  
State of California:

A. EXXONMOBIL Oil Corporation has applied to the Board of Supervisors of the County of Los Angeles for a franchise for a period of fifteen (15) years to lay, construct, reconstruct, maintain, operate, renew, repair, change the size of, remove, or abandon in place, pipes and pipelines for the collection, transportation, or distribution of petroleum, oil, gas, gasoline, other liquid hydrocarbon products, wet gas, industrial gas, chemicals, mud, steam, water, waste water, and other liquid substances, excluding any hazardous substances or hazardous waste within the meaning of the "Comprehensive Environmental Response Compensation and Liability Act of 1980," 42 U.S.C. section 9601 et seq., and amendments thereto, together with all manholes, valves, cathodic protection systems, appurtenances, and connections necessary or appropriate for the operation of said pipes or pipelines, including poles, conduits, wire, cables, and other appurtenances and equipment for telegraph or telephone lines, or both, necessary or appropriate for the Franchisee's operation in, under, along, or across any and all highways as defined in Section 16.36.080 of the Los Angeles County Code now or hereafter dedicated to public use within the following described service areas within the unincorporated territory of the County of Los Angeles, State of California, described in the proposed ordinance attached hereto as Exhibit "A."

B. It is the intention of the Board of Supervisors of the County of Los Angeles, State of California, to grant the franchise applied for upon the terms and conditions herein mentioned.

C. The franchise is described in the Ordinance attached hereto as Exhibit "A," and is a franchise for propriety pipeline purposes.

D. That on the day of \_\_\_\_\_, 2004, at the hour of \_\_\_\_\_ o'clock a.m. of said day, a day not less than twenty (20) nor more than sixty (60) days after the date of the passage of this resolution, in the hearing room of the Board of Supervisors, Kenneth Hahn Hall of Administration, 500 West Temple Street (corner of Temple Street and Grand Avenue), Room 381, Los Angeles, California 90012, the Board of Supervisors shall hear objections from the public to the granting of the franchise herein above described.

E. The Executive Officer, Board of Supervisors, shall cause notice of said hearing to be published at least once within fifteen (15) days after adoption of this Resolution in a newspaper of general circulation published in the County of Los Angeles.

The foregoing resolution was on the \_\_\_\_ day of \_\_\_\_\_, 2004, adopted by the Board of Supervisors of the County of Los Angeles and ex-officio the governing body of all other special assessment and taxing districts, agencies, and authorities for which said Board so acts.

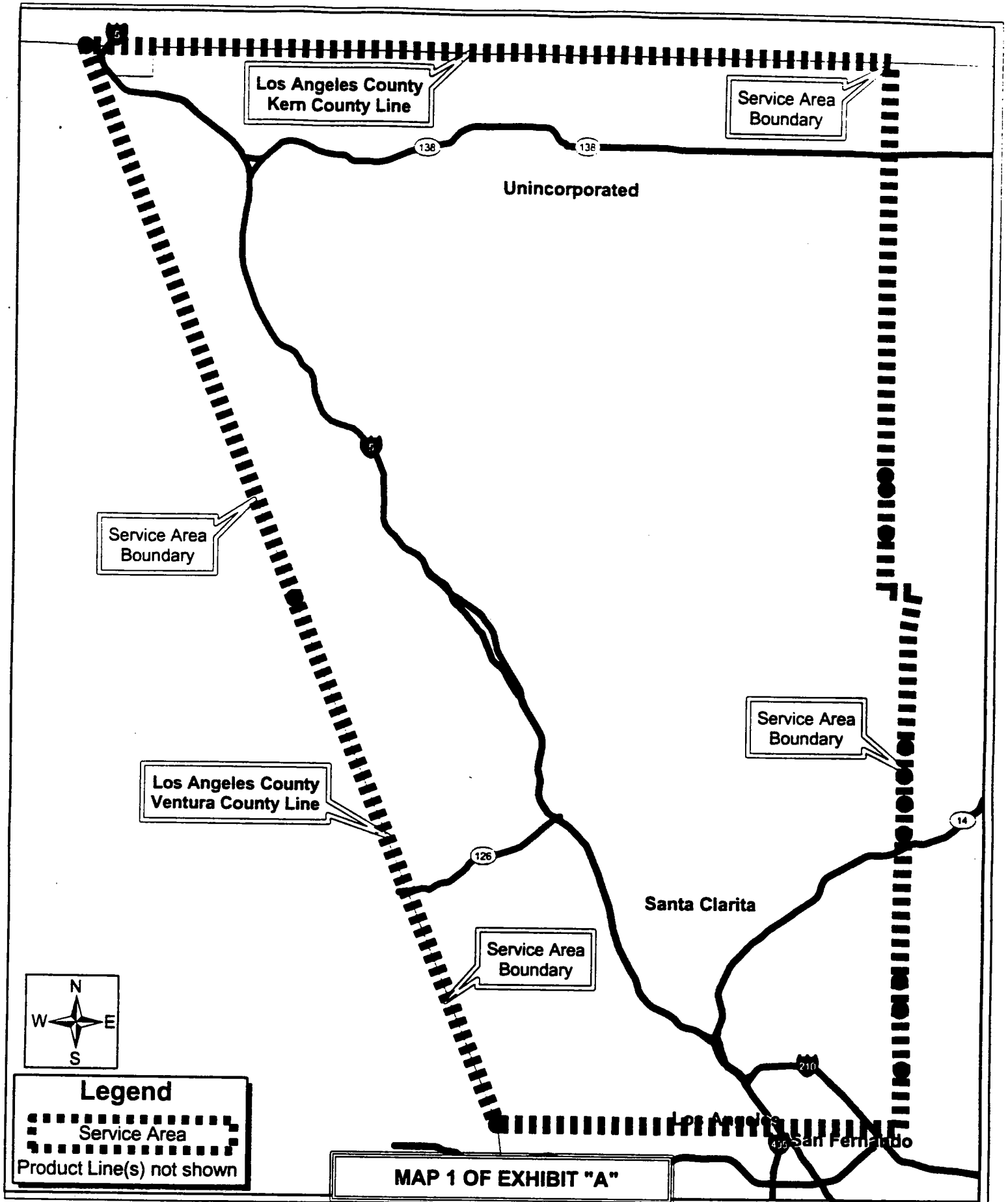
VIOLET VARONA-LUKENS  
Executive Officer-Clerk of the  
Board of Supervisors of the  
County of Los Angeles

By \_\_\_\_\_  
Deputy

APPROVED AS TO FORM:

OFFICE OF THE COUNTY COUNSEL

By Kathleen D. Felice  
KATHLEEN D. FELICE  
Senior Deputy County Counsel



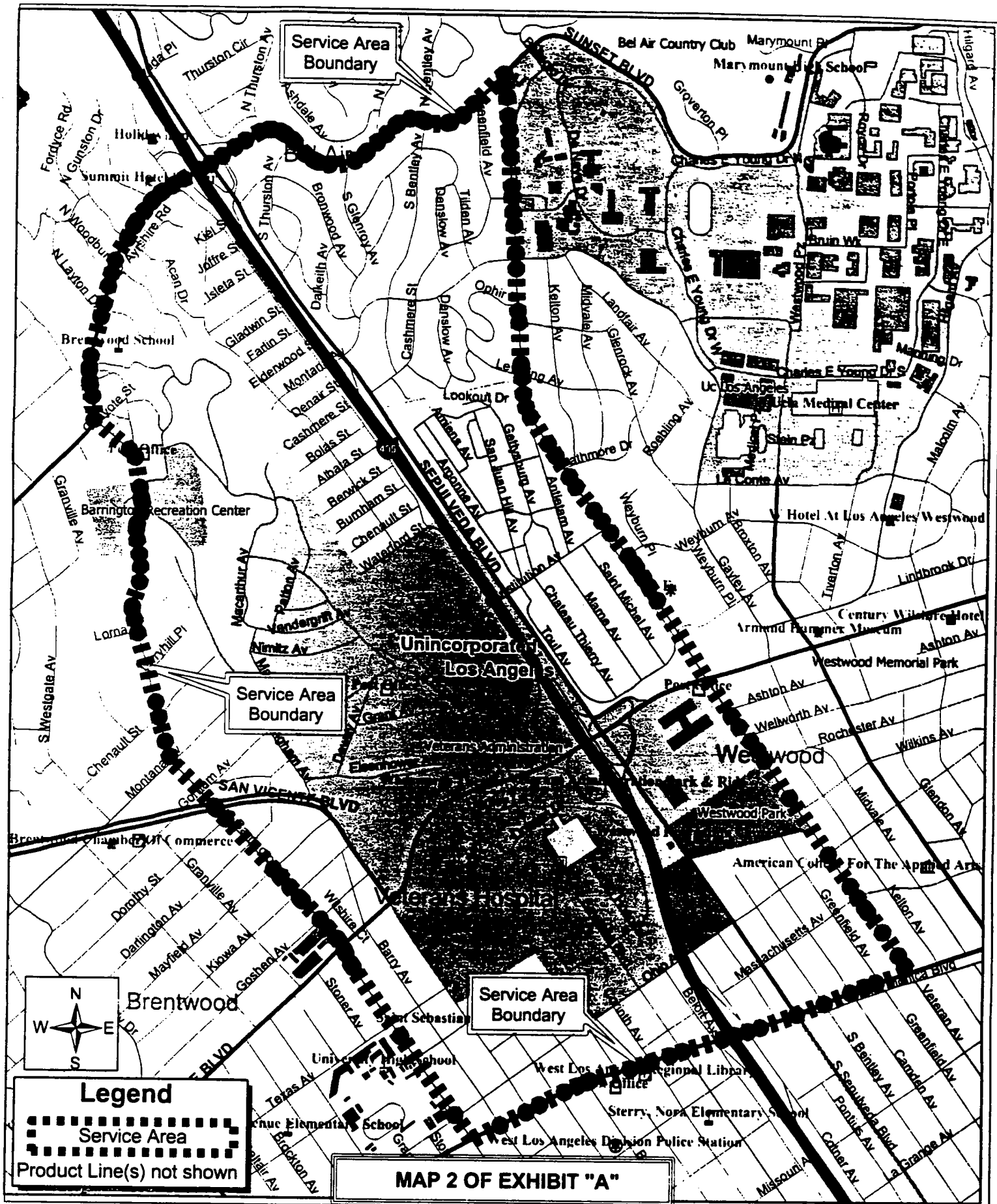
Date  
April 27, 2004

Sup Dist.  
Dist 3, 5

**COUNTY OF LOS ANGELES - CHIEF ADMINISTRATIVE OFFICE**  
**ExxonMobil Oil Corporation**  
**Proprietary Petroleum Pipeline Franchise**  
**Part A: Santa Clarita / Val Verde Area**

ExxonMobil  
Renew 11,901

Agent  
R. Ball



Date  
April 27, 2004

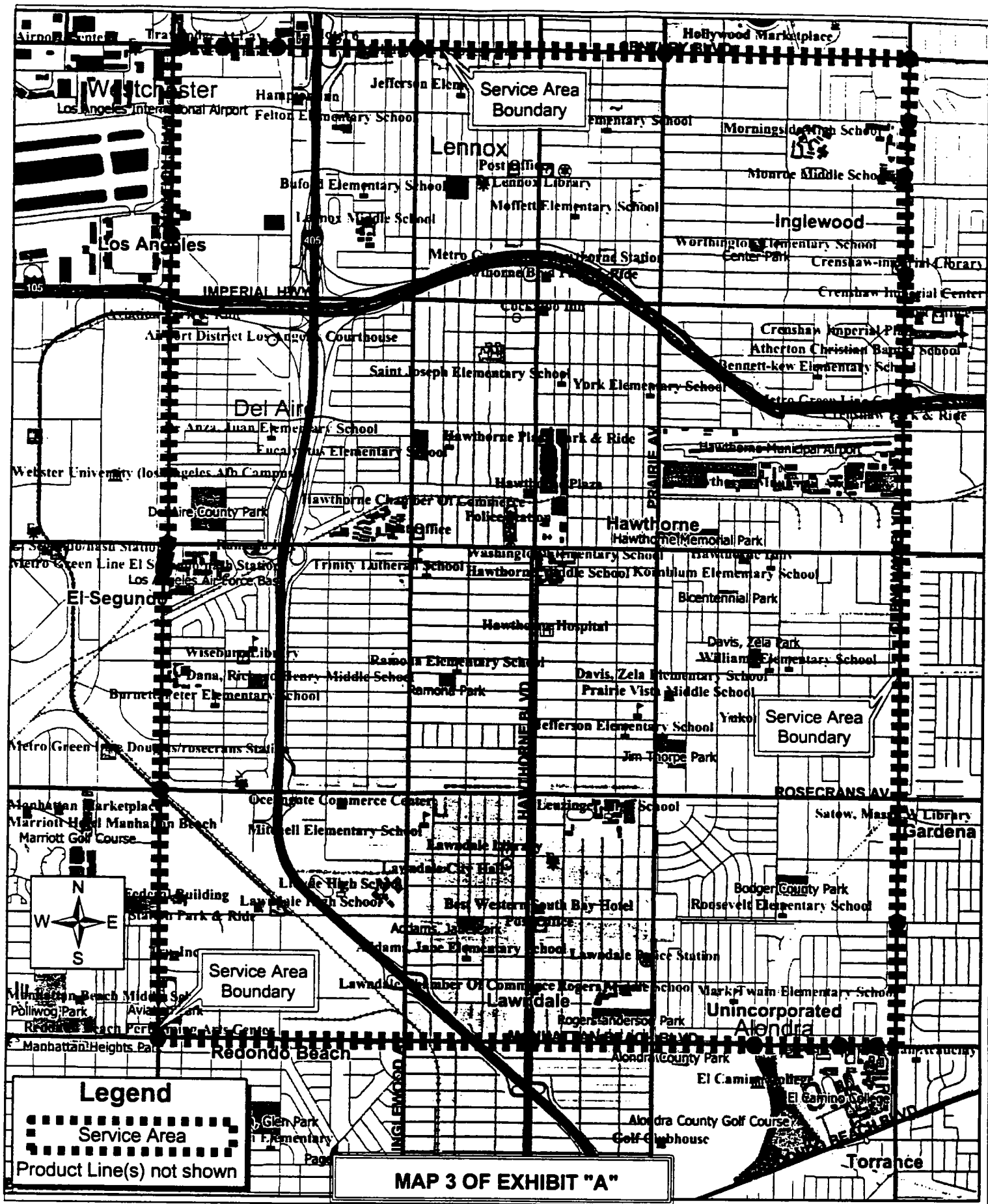
Sup Dist.  
Dist 3, 5

**COUNTY OF LOS ANGELES - CHIEF ADMINISTRATIVE OFFICE**  
**ExxonMobil Oil Corporation**  
**Proprietary Petroleum Pipeline Franchise**  
**Part B: West Los Angeles / Sawtelle Area**

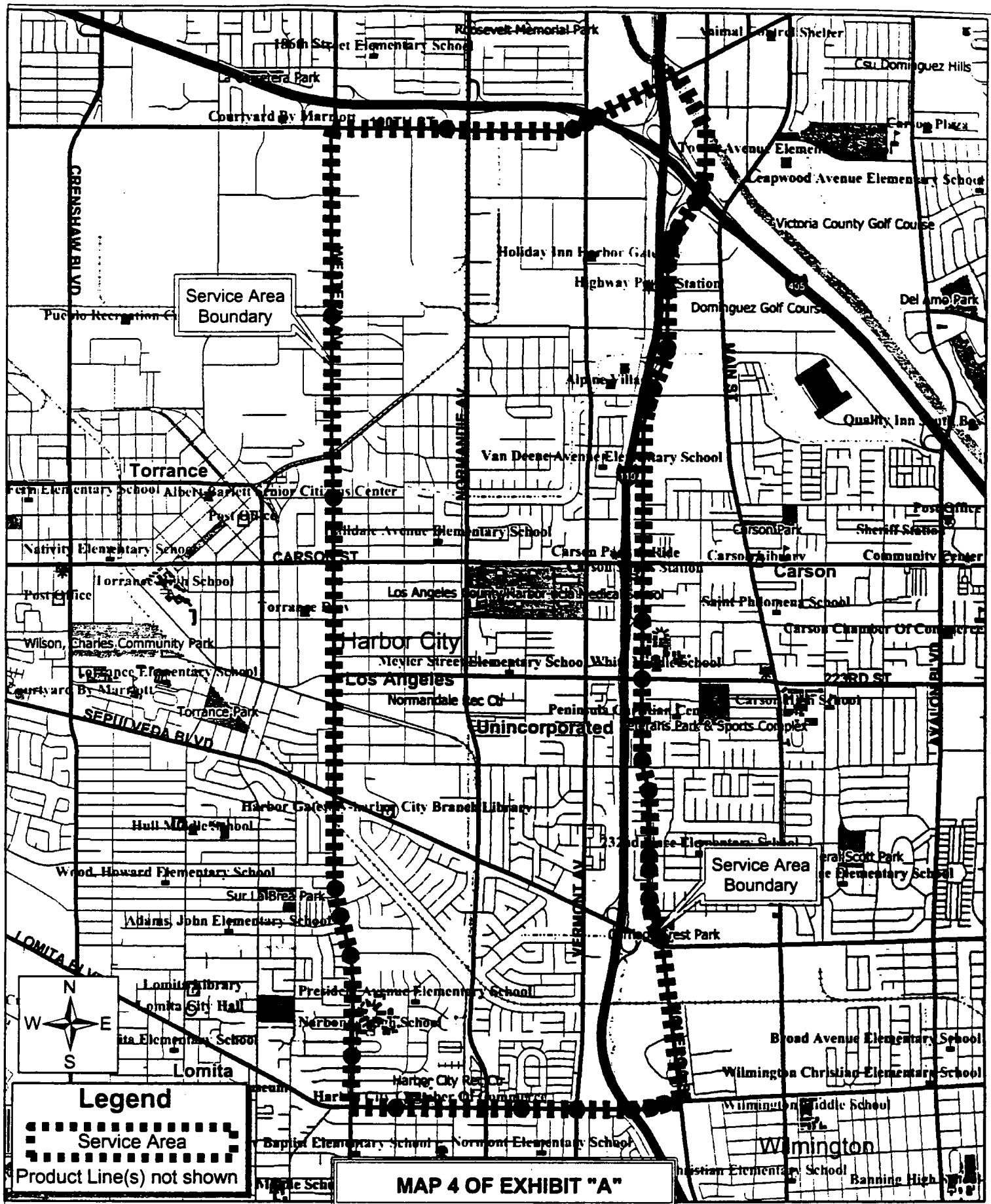
ExxonMobil  
Renew 11,901

Agent  
R. Ball





Date April 27, 2004	<b>COUNTY OF LOS ANGELES - CHIEF ADMINISTRATIVE OFFICE</b> <b>ExxonMobil Oil Corporation</b> <b>Proprietary Petroleum Pipeline Franchise</b> <b>Part C: West Alondra Park / Del Aire / Lennox Area</b>	ExxonMobil Renew 11,901
Sup Dist. Dist 3, 5		Agent R. Ball



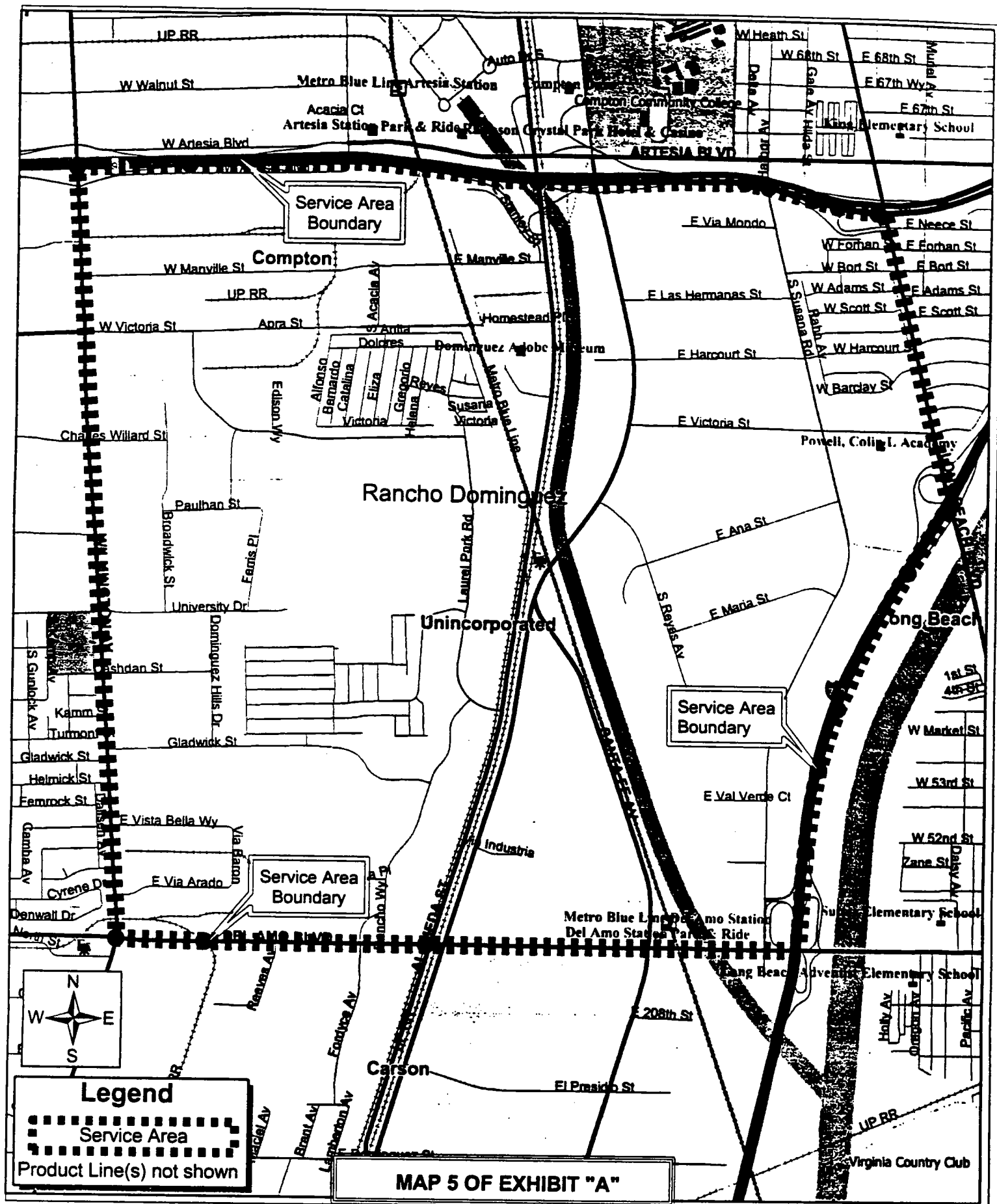
Date  
April 27, 2004

Sup Dist.  
Dist 3, 5

**COUNTY OF LOS ANGELES - CHIEF ADMINISTRATIVE OFFICE**  
**ExxonMobil Oil Corporation**  
**Proprietary Petroleum Pipeline Franchise**  
**Part D: West Carson / Harbor Corridor Area**

ExxonMobil  
Renew 11,901

Agent  
R. Ball



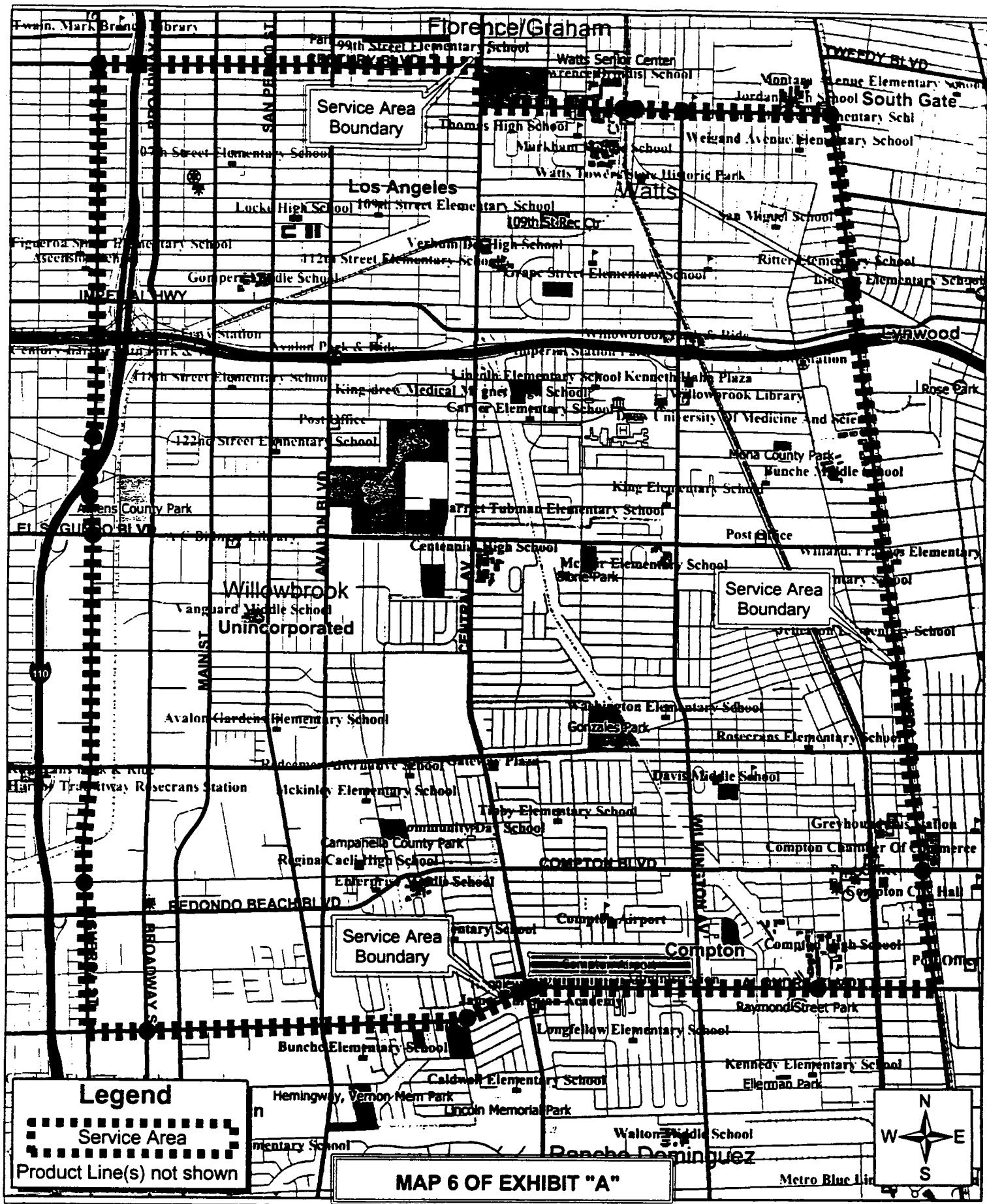
Date  
April 27, 2004

Sup Dist.  
Dist 3, 5

**COUNTY OF LOS ANGELES - CHIEF ADMINISTRATIVE OFFICE**  
**ExxonMobil Oil Corporation**  
**Proprietary Petroleum Pipeline Franchise**  
**Part E: East Carson / Rancho Dominguez Area**

ExxonMobil  
Renew 11,901

Agent  
R. Ball



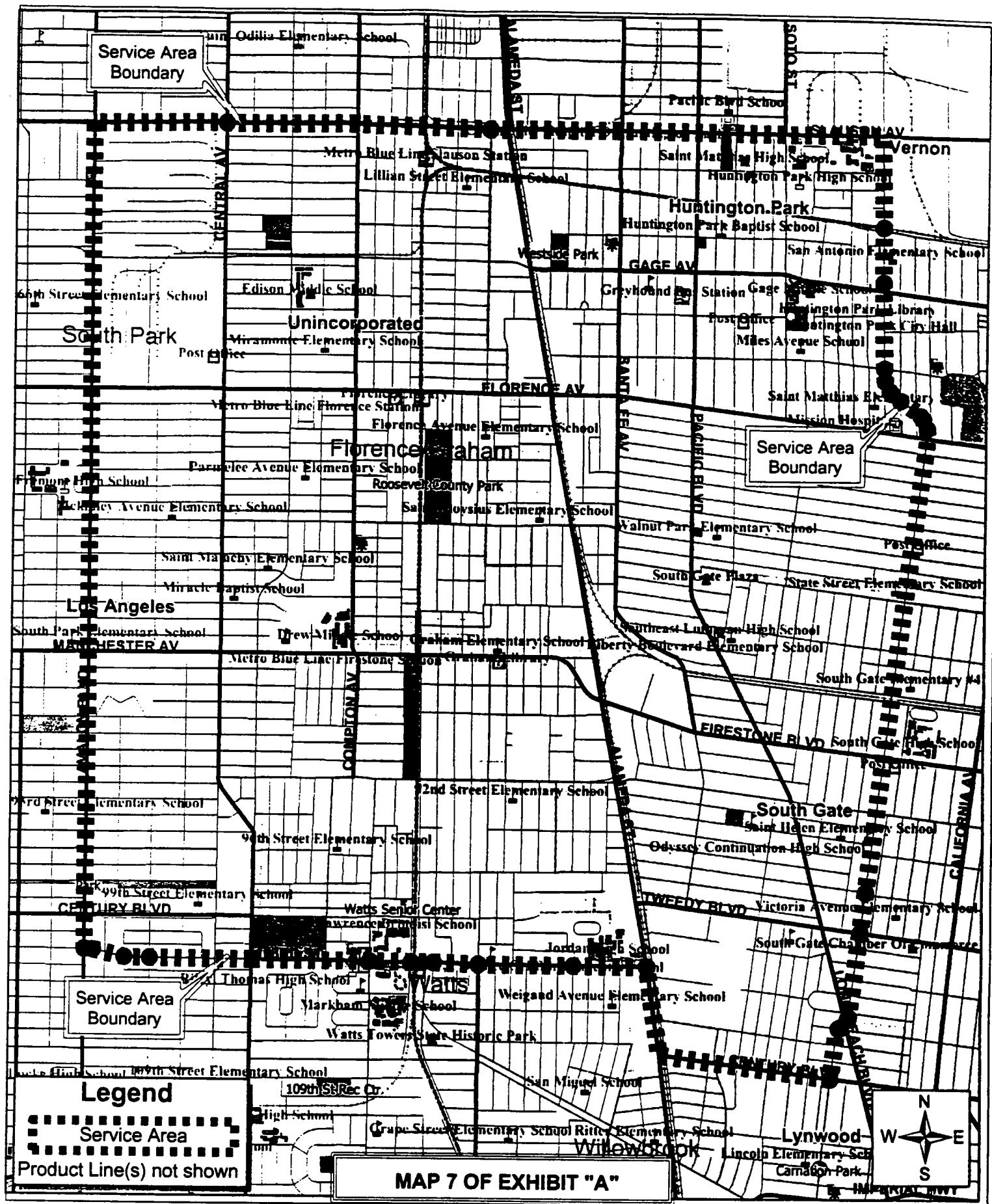
Date  
April 27, 2004

Sup Dist.  
Dist 3. 5

**COUNTY OF LOS ANGELES - CHIEF ADMINISTRATIVE OFFICE**  
**ExxonMobil Oil Corporation**  
**Proprietary Petroleum Pipeline Franchise**  
**Part F: West Compton / Willowbrook Area**

ExxonMobil  
Renew 11,901

Agent  
R. Ball



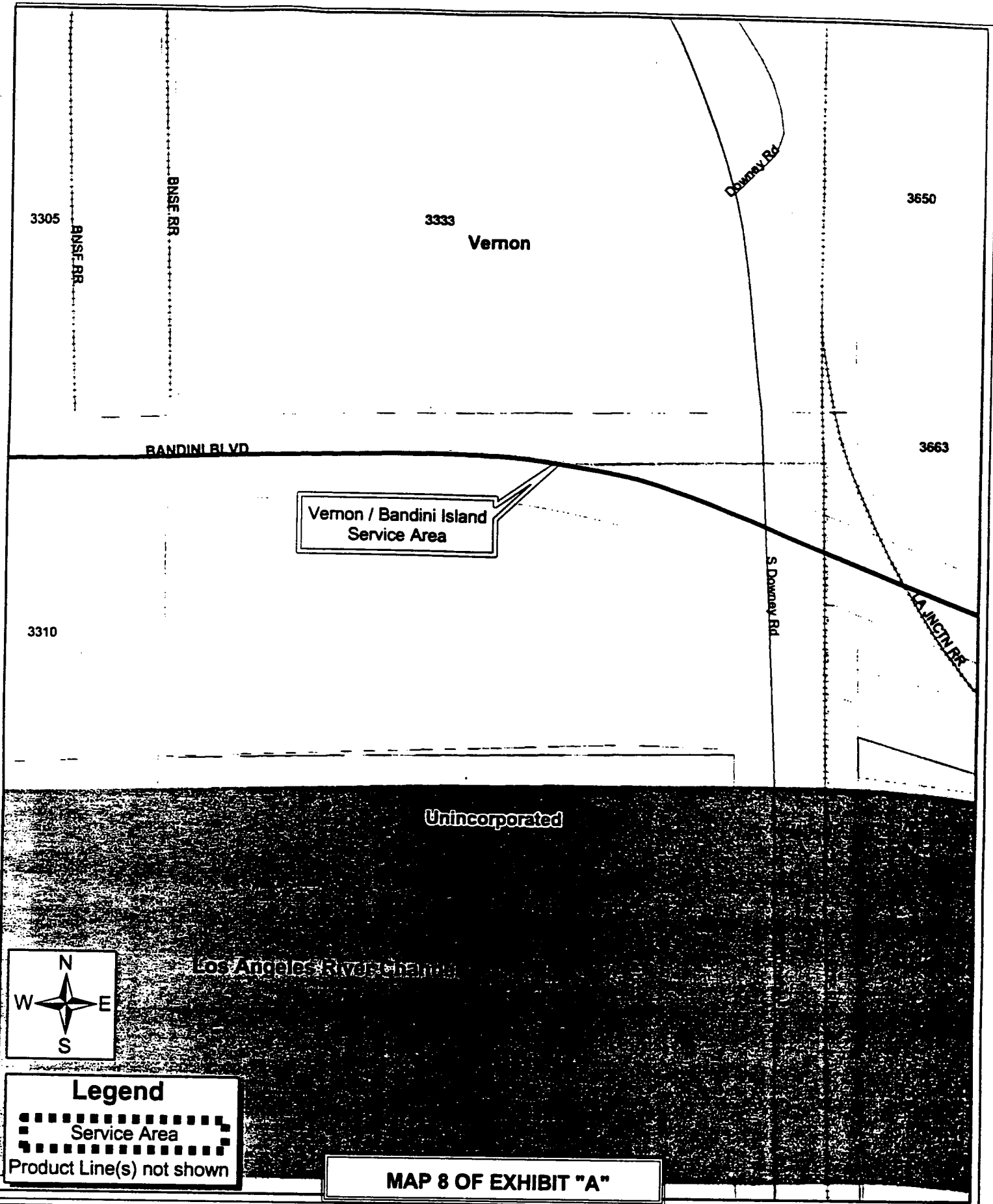
Date  
April 27, 2004

Sup Dist.  
Dist 3, 5

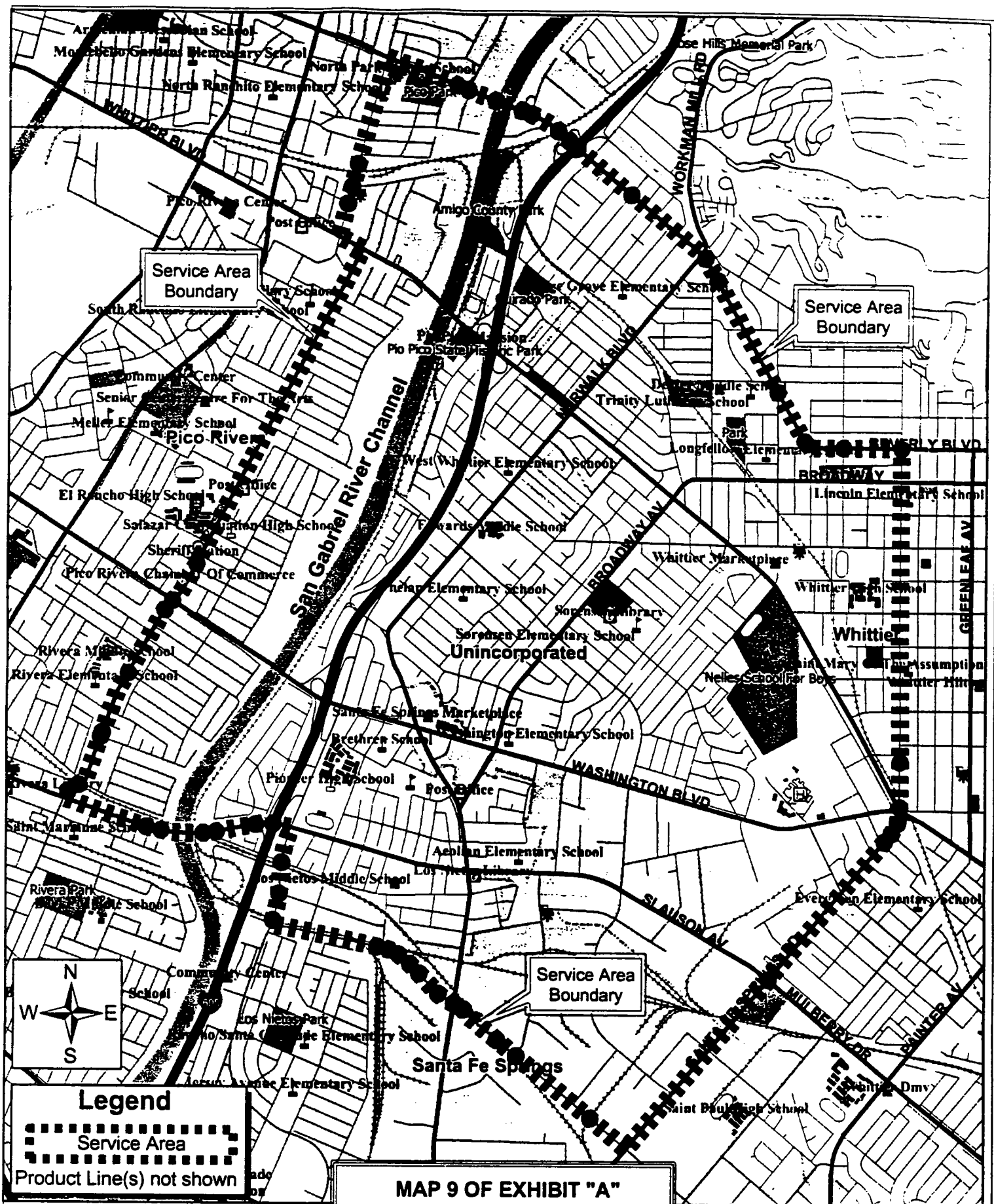
**COUNTY OF LOS ANGELES - CHIEF ADMINISTRATIVE OFFICE**  
**ExxonMobil Oil Corporation**  
**Proprietary Petroleum Pipeline Franchise**  
**Part G: Florence / Walnut Park Area**

ExxonMobil  
Renew 11,901

Agent  
R. Ball

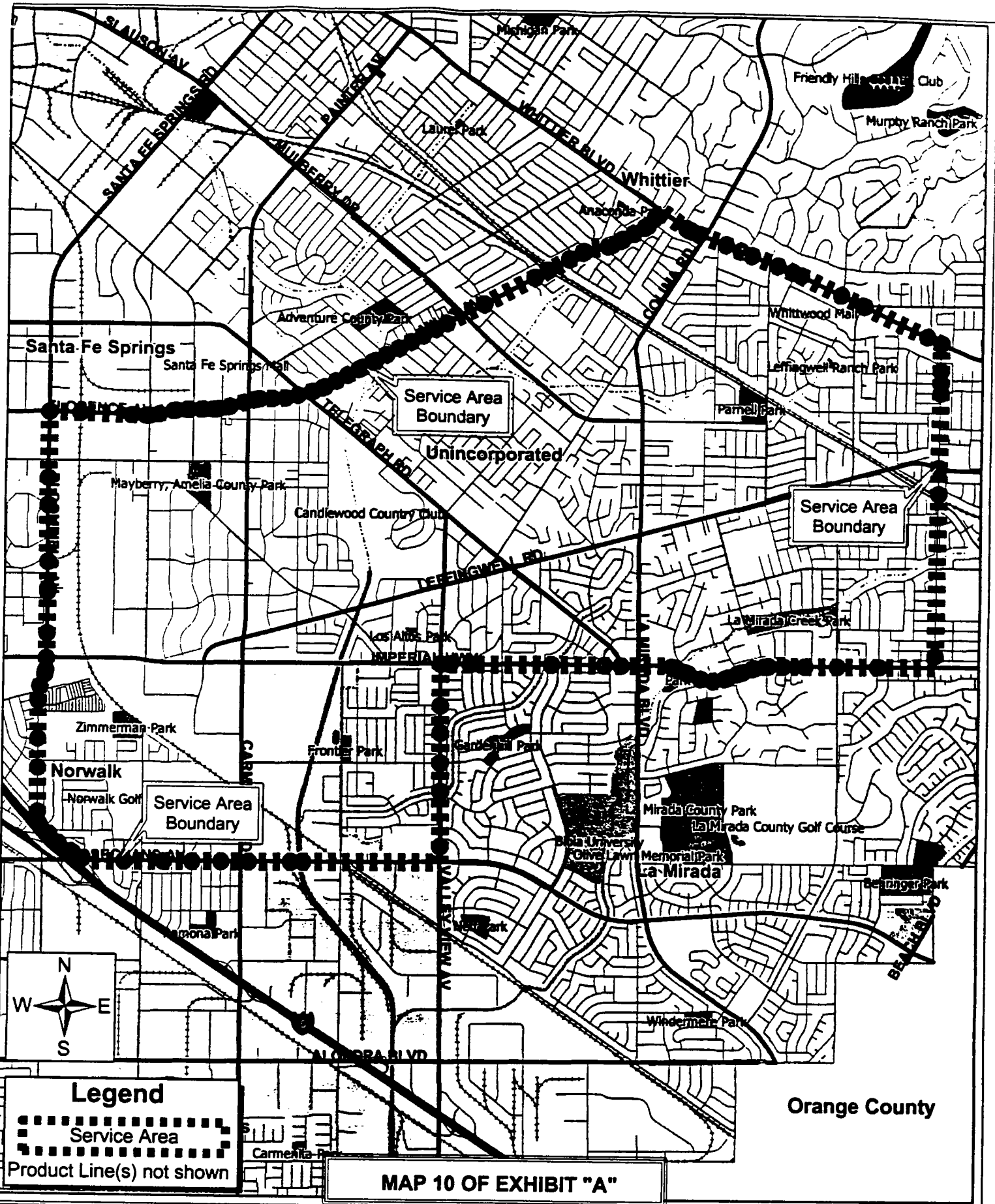


Date April 27, 2004	<b>COUNTY OF LOS ANGELES - CHIEF ADMINISTRATIVE OFFICE</b> <b>ExxonMobil Oil Corporation</b> <b>Proprietary Petroleum Pipeline Franchise</b> <b>Part H: Vernon / Bandini Island Area</b>	<b>ExxonMobil</b> Renew 11,901
Sup Dist. Dist 3, 5		<b>Agent</b> R. Ball



Date April 27, 2004	<b>COUNTY OF LOS ANGELES - CHIEF ADMINISTRATIVE OFFICE</b> <b>ExxonMobil Oil Corporation</b> <b>Proprietary Petroleum Pipeline Franchise</b> <b>Part I: West Whittier / Los Nietos Area</b>	ExxonMobil Renew 11,901
Sup Dist. Dist 3, 5		Agent R. Ball





Date  
April 27, 2004

Sup Dist.  
Dist 3, 5

**COUNTY OF LOS ANGELES - CHIEF ADMINISTRATIVE OFFICE**  
**ExxonMobil Oil Corporation**  
**Proprietary Petroleum Pipeline Franchise**  
**Part J: South Whittier / East La Mirada Area**

**ExxonMobil  
Renew 11.901**

**Agent  
R. Ball**